



BILL HORN
SUPERVISOR, FIFTH DISTRICT
SAN DIEGO COUNTY BOARD OF SUPERVISORS
AGENDA ITEM

DATE: July 8, 2003

TO: Board of Supervisors

SUBJECT: Retaining San Diego's Military Presence

SUMMARY:

Overview

The next round of Base Realignment and Closure is scheduled to occur in 2005. In preparation the County and its contractors have prepared two studies that convey the social and economic impacts of the military and defense industry in San Diego.

It is imperative that these findings are conveyed to local legislatures to enable them to fight to retain San Diego's military presence. This can be accomplished by adopting the attached resolution and forwarding the reports.

Recommendations

1. Accept the "Impact of Base Closures on the San Diego region: A Spouse and Family Survey, Small Business Report and Case Studies and Report on Related Interdependencies" report.
2. Accept the "Community and Economic Impact of Military Installations and Defense-Based Business in San Diego County" report.
3. Adopt a Resolution entitled "Retaining San Diego's Military Presence."
4. Authorize the Chief Administrative Officer to work proactively to retain the region's military presence.
5. Send letters to our local congressional districts conveying the economic impact of the military on San Diego's economy and requesting their support to retain military presence.

SUBJECT: RETAINING SAN DIEGO'S MILITARY PRESENCE

Fiscal Impact

This action will result in an aggressive campaign to retain San Diego's military presence. This will result in no additional staff and no additional costs, but can be accomplished within existing resources and within the existing budget.

Business Impact Statement

The economic impact of the military and the defense industry are conveyed in the reports. The military brings \$18 billion annually in spending to San Diego. These dollars flow through San Diego by purchases made from local businesses and through contracts with our companies. The adverse impact of base closures is discussed in these reports.

Advisory Board Statement

N/A

BACKGROUND:

Never in the history of the world has there been a military achievement quite like the 30-days it took to bring about Operation Iraqi Freedom. It came with tactical genius, courage devastating weaponry, coordinated logistical support and remarkably low coalition losses and civilian casualties.

As we work to preserve liberty and freedom, there's a threat looming on the horizon. It's the fifth round of the Defense departments' Base Closure and Realignment, also known as BRAC. Getting the most out of our military resources must always be a top priority, however, it is critical that we understand how important those elements are to the economy of our region.

The Department of Defense has conducted four previous rounds of Base Realignment and Closures (BRAC). This has been done to allow for the size of the service to more accurately align itself with the needs of the service. Military restructuring has occurred during previous rounds of BRAC in 1988, 1991, 1993 and 1995. The latter BRAC process brought SPAWARS to San Diego, as well as the loss of the Naval Training Center (NTC).

In 2001 the Secretary of Defense indicated that there continues to be an abundance of military facilities estimated to be in excess of 25%. Consequently Secretary Rumsfeld urged Congress to authorize another round of BRAC. Congress approved the request and the next round of BRAC is scheduled to occur in 2005. The next round of BRAC will occur with an emphasis on joint operations through combining military branches at the same location for greater efficiencies.

The Department of Defense has begun to prepare a 20-year force structure plan including base closures and realignment recommendations. The process of developing recommendations will begin in February 2004. To that end, it is imperative that San Diego prepare itself for another round of BRAC.

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In February 2003 a study was commissioned by the City of San Diego to prepare an assessment of San Diego Area Navy and Marine Corps bases. William J. Cassidy Jr. prepared this study that discusses the wide variety of operations performed in San Diego as well as the connectivity that exists between the various units. The study discusses the interdependence of these operations and the military value the various installations have. This study further describes the following military installations as being at risk of consolidation or relocation during the next round of BRAC:

Naval Air Depot (NADEP)

Space and Naval Warfare Systems Command Headquarters (SPAWARS)

Space and Naval Warfare Systems Center (SPAWARS)

Point Loma's Submarine Squadron Eleven

Marine Corps Recruit Depot (MCRD)

The County of San Diego commissioned studies to review the economic impacts of base closures in the region. The Office of Trade and Business Development secured the services of the Economic Research Bureau of the San Diego Chamber of Commerce and DEFCON, managed the study, funded by the Technology Trade and Commerce Agency and the federal Economic Development Administration. The entities provided the attached reports.

These studies convey the social and economic impact the military has on the region and include interconnectivity between the military and small businesses and defense contractors; military oriented research and development conducted by universities and how that research supports and enhances our region's military mission; and interactions with the Naval Medical Center and the regions' health delivery and medical research institutions. The studies also convey a comprehensive data set on the existing demographics of military active duty and Department of Defense civilian employees and their spouses and families.

Understanding the role the military has in San Diego is imperative. San Diego County is home to one of the largest military complexes in the world, with more than 80 separate facilities. Approximately one-fifth of the entire U.S. Navy and Marine Corps fleet are stationed within the County. Our military personnel are part of the fabric that makes up San Diego. They are buying homes, volunteering in our community and their spouses and dependents are part of San Diego's workforce.

Defense is important to San Diego's economy. It is the second largest industry in our region. The military brings in a total of nearly \$18 billion annually in direct and indirect spending accounting for 15% of regional economic activity. More than \$120 billion of this spending comes directly from the Department of Defense in expenditures for payrolls, maintenance of installations, defense contracting and vendor disbursements.

A recent survey revealed that the military has a significant impact on local businesses. Our military is buying merchandise from our small businesses. At the same time our businesses are receiving military contracts; not simply because they are located near a military installation, but also because San Diego boasts some of the brightest, forward thinking companies in the nation. Through the partnership that exists between San Diego's businesses and the military, our government is equipped to protect our freedom.

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These studies are designed to begin the process of developing a baseline of information by which our legislators, community organizations, and public officials can carry the message of support for retaining and enhancing the military mission and facilities located in the San Diego region. During previous rounds of BRAC, the San Diego community provided varying levels of support. Research has shown that community involvement does impact the ultimate decisions made by the BRAC Council and the President.

I ask you to join me in supporting the resolution before you today that supports our military's presence in San Diego. Furthermore, I request your support in taking a pro-active approach and requesting our local legislators to work collaboratively in retaining our military and seeking new opportunities through the next round of BRAC for San Diego to enhance its military operations.

Respectfully submitted,

Bill Horn
Supervisor, Fifth District

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	Yes	<input type="checkbox"/> N/A
CHIEF FINANCIAL OFFICER	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
Requires Four Votes	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
GROUP/AGENCY INFORMATION		
TECHNOLOGY DIRECTOR	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
COUNTY TECHNOLOGY OFFICE	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
DEPARTMENT OF HUMAN RESOURCES	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
Other Concurrence(s):	N/A	

ORIGINATING DEPARTMENT: Supervisor Bill Horn, Fifth District

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AUTHORIZED REPRESENTATIVE:

Supervisor Bill Horn

SUBJECT: RETAINING SAN DIEGO'S MILITARY PRESENCE

AGENDA ITEM INFORMATION SHEET
(continued)

PREVIOUS RELEVANT BOARD ACTIONS:

[Click **here** and type action(s), or type N/A if not applicable]

BOARD POLICIES APPLICABLE:

[Click **here** and type applicable policies, or type N/A if not applicable]

BOARD POLICY STATEMENTS:

[Click **here** and type required statement(s), or type N/A if not applicable]

CONTRACT NUMBER(S):

[Click **here** and type numbers, or type N/A if not applicable]

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FISCAL IMPACT STATEMENT

DEPARTMENT: [Click **here** and type]

PROGRAM: [Click **here** and type]

PROPOSAL: [Click **here** and type]

			FUTURE YEARS ESTIMATED BUDGET OF PROPOSAL IF ADOPTED	
(a)	(b)	(c)	(d)	(e)
Budgeted Amount For Proposal	Proposed Change in Budgeted Amount	Proposed Revised Current Year Budget (a+b)	1st Subsequent Year	2nd Subsequent Year
Direct Cost				
Revenue/Other Offset				
NET GENERAL FUND COST				
Staff Years				

Sources of Revenue/Other Offset for Proposed Change and Subsequent Years:

Space-Related Impacts: Will this proposal result in any additional space requirements? ☐ Yes ☐ N/A

Support/Other Departmental Impacts: ☐ Yes ☐ N/A

Remarks: ☐ Yes ☐ N/A